

Rising Health Care Costs Put Pressure on Small Businesses

Voluntary products and benefits communications can provide relief.

Although double-digit health insurance cost increases affect all business owners no matter the size of their company, smaller businesses feel more pressure because they typically don't have as many benefits options available to them as large companies. Yet small businesses still need to offer a competitive package to compete with larger companies for qualified employees.

Voluntary benefits offered at the worksite can help small businesses lessen benefits program management pressures by providing much-needed solutions: voluntary products to help employees fill gaps in their core benefits and benefits communications to help employees better understand their benefits and the value of what the employer provides them.

Voluntary Products Expand the Benefit Program

Large numbers of small business employers putting in high deductible health plans. Employees are taking on more responsibility for their health care expenses. Voluntary benefits can help employers better manage their benefit program costs and help provide employees with coverage choices to meet their out-of-pocket medical expenses. Adding a supplemental health insurance product (such as hospital indemnity or critical illness) and other voluntary benefits such as life insurance and short-term disability can expand an employer's benefit program. For example, if you have a high-deductible health plan, employees could choose a supplemental health insurance product to help pay for their additional out-of-pocket expenses.

With voluntary benefits, employers can pay a portion or all of the premiums for the voluntary benefits or let employees pay for the additional benefits themselves.

Benefit Communications Helps Employees Understand and Appreciate Their Benefits

Small businesses typically have little to no human resources staff, which means the business owner often handles HR duties in addition to all the other responsibilities. In many cases, they don't have the time and resources to fully communicate your benefits program. Yet employees who understand the benefits they have and the value of what their employer provides appreciate their company more and use their benefits more responsibly. Garner Insurance Services can help employers select voluntary benefit providers who can assist with benefit communications.

Summary

Voluntary benefits can help employers relieve some of the pressure from increasing health insurance costs yet still remain competitive in the marketplace. The benefit to the employer is an enhanced benefit program, savings in program costs, quality benefit communications and an effective enrollment process. Employees will benefit from having more coverage choices to meet their needs, plus they'll understand and appreciate the value of what their employer provides for them.

For more information about voluntary benefit products and services or opportunities with the company, call Garner Insurance Services at (626) 351-2300.